



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt Resolution Authorizing Purchase Agreement for City-Owned Property at 217 East Lockeford Street

MEETING DATE: January 21, 2009

PREPARED BY: City Manager

RECOMMENDED ACTION: Adopt Resolution authorizing terms of sale for City property located at 217 E. Lockeford St. (\$355,500).

BACKGROUND INFORMATION: The City-owned property at 217 E. Lockeford St., was identified as underutilized at a City Council meeting on June 21, 2006. On August 15, 2007, the City Council adopted a resolution authorizing its sale and the local real estate community was notified of its availability.

The property is 1.36 acres (59,398 square feet) and serves mainly as an informal parking location. There are no structures on the property.

On April 25, 2007, after a Public Hearing, the Planning Commission found that the sale of this property is consistent with the General Plan.

The City received a letter of intent to purchase the property on November 7, 2008 from real estate broker Wayne Craig, who represents the Eagles Lodge of Lodi. The City Council was advised of the interest in purchasing this property on November 19, 2008 and gave direction to pursue the sale.

The City Council approved a counteroffer on December 17, 2008. The Eagles Lodge has agreed to an all-cash purchase of \$355,500, which meets the City Council's objective of obtaining fair-market value for the property. The agreement, which is attached, allows the Eagles Lodge to sell the property back to the City if the buyer is unsuccessful in processing a zoning change from "Public" to the appropriate commercially-designated zone on or before August 31, 2009.

The Eagles Lodge's offer is the first and only offer for this property. The broker's four percent fee and the City's share of normal closing costs will be deducted from the sales proceeds.

FISCAL IMPACT: \$355,500 to General Fund, less transaction costs.

FUNDING AVAILABLE: Not applicable.


Blair King
City Manager

Attachments: Purchase Agreement

APPROVED: 
Blair King, City Manager

RESOLUTION NO. 2009-10

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING TERMS OF SALE ~~FOR~~ CITY PROPERTY
AT 217 EAST LOCKEFORD STREET

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WHEREAS, the City-owned property at 217 East Lockeford Street was identified ~~as~~ underutilized at a City Council meeting on June 21, 2006. On August 15, 2007, the City Council adopted Resolution 2007-171 authorizing its sale, and the local real estate community was notified of its availability; and

WHEREAS, the Planning Commission previously found that the sale of this underutilized property is consistent with the General Plan; and

WHEREAS, the City received a letter of intent to purchase the property on November 7, 2008, from real estate broker Wayne Craig, who represents the Eagles Lodge of Lodi. The City Council was advised of the interest in purchasing this property on November 19, 2008, and gave direction to pursue the sale: and

WHEREAS, the City Council approved a counteroffer on December 17, 2008. The Eagles Lodge has agreed to an all-cash purchase of \$355,500, which meets the City Council's objective of obtaining fair-market value for the property. The agreement allows the Eagles Lodge to sell the property back to the City if the buyer is unsuccessful in processing a zoning change from "Public" to the appropriate commercially-designated zone within six months.


NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the terms of sale for City property located at 217 East Lockeford Street in the amount of \$355,500, as set forth in the agreement ~~attached~~ hereto as Exhibit A.

Dated: January 21, 2009

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I hereby certify that Resolution No. 2009-10 was passed and adopted by the City Council of the City of Lodi in a regular meeting held January 21, 2009, by the following vote:

AYES: COUNCIL MEMBERS – Johnson, Mounce, and Mayor Hansen
NOES: COUNCIL MEMBERS – Hitchcock
ABSENT: COUNCIL MEMBERS – None
ABSTAIN: COUNCIL MEMBERS – Katzakian


RANDI JOHL
City Clerk



CALIFORNIA
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**VACANT LAND PURCHASE AGREEMENT
AND JOINT ESCROW INSTRUCTIONS**
(C.A.R. Form VLPA, Revised 11/07)

EXHIBIT A

Date November 24, 2008, at Lodi, California.

1. OFFER:

- A. THIS IS AN OFFER FROM Eagles Lodge of Lodi ("Buyer").
B. THE REAL PROPERTY TO BE ACQUIRED is described as 217 East Lockeford Street

Assessor's Parcel No(s) 041-220-02
situated in Lodi, County of San Joaquin, California, ("Property").

- C. THE PURCHASE PRICE offered is Three Hundred Fifty-Five Thousand Five Hundred
Dollars \$ 355,500.00

D. CLOSE OF ESCROW shall occur on _____ (date) (or ☒ 60 Days After Acceptance).

2. FINANCE TERMS: Obtaining the loans below is a contingency of this Agreement unless: (i) either 2D or 2L is checked below; or (ii) otherwise agreed in writing. Buyer shall act diligently and in good faith to obtain the designated loans. Obtaining deposit, down payment and closing costs is not a contingency. Buyer represents that funds will be good when deposited with Escrow Holder.

- A. INITIAL DEPOSIT, Buyer has given a deposit in the amount of \$ 10,000.00

to me agent submitting the offer (or to ☐ _____), by Personal Check
(or ☐ _____), made payable to Chicago Title Co.
which shall be held uncashed until Acceptance and then deposited within 3 business days after Acceptance
(or ☒ within 5 business days of executed contract), with
Escrow Holder, (or ☐ into Broker's trust account).

- B. INCREASED DEPOSIT: Buyer shall deposit with Escrow Holder an increased deposit in the amount of \$ 15,000.00
within _____ Days After Acceptance, or ☒ after 30 day due diligence

- C. FIRST LOAN IN THE AMOUNT OF \$ _____

☐ NEW First Deed of Trust in favor of ☐ lender, ☐ seller;

- OR ☐ ASSUMPTION of Existing First Deed of Trust;

encumbering the Property, securing a note payable at maximum interest of _____ % fixed rate, or
_____ % initial adjustable rate with a maximum interest rate of _____ 2 balance due in

_____ years, amortized over _____ years (OR, if checked, ☐ payable in interest-only installments). Payments
due ☐ monthly, ☐ quarterly, ☐ semi-annually, ☐ annually.

Buyer shall pay loan fees/points not to exceed _____

- D. ☒ ALL CASH OFFER (If checked): No loan is needed to purchase the Property. Buyer shall, within 7 (or
☐ _____) Days After Acceptance, provide Seller written verification of sufficient funds to close this transaction.

- E. ADDITIONAL FINANCING TERMS: \$ _____

F. BALANCE OF PURCHASE PRICE:

(not including costs of obtaining loans and other closing costs) in amount of \$ 330,500.00
to be deposited with Escrow Holder within sufficient time to close escrow

- G. PURCHASE PRICE (TOTAL): \$ 355,500.00

- H. LOAN APPLICATIONS: Within 7 (or ☐ _____) Days After Acceptance, Buyer shall provide Seller a letter from lender or mortgage loan
broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified a preapproved for any NEW loan
specified above.

- I. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS: Buyer (or Buyer's lender or loan broker pursuant to 2H) shall, within
7 (or ☐ _____) Days After Acceptance, provide Seller written verification of Buyer's down payment and closing costs.

- J. LOAN CONTINGENCY REMOVAL: (i) Within 17 (or ☐ _____) Days After Acceptance Buyer shall, as specified in paragraph 18, remove
the loan contingency or cancel this Agreement; OR (ii) (☐ if checked), loan contingency shall remain in effect until the designated loans are
funded.

- K. APPRAISAL CONTINGENCY AND REMOVAL: This Agreement is (OR, if checked, ☐ is NOT) contingent upon the Property appraising at no
less than the specified purchase price. If there is a loan contingency, at the time the loan contingency is removed (or, if checked, ☐ within 17 (or
☐ _____) Days After Acceptance), Buyer shall, as specified in paragraph 18, remove the appraisal contingency or cancel this Agreement.
If there is no loan contingency, Buyer shall, as specified in paragraph 18, remove the appraisal contingency within 17 (or _____) Days
After Acceptance.

- L. ☐ NO LOAN CONTINGENCY (If checked): Obtaining any loan in paragraphs 2C, 2E or elsewhere in this Agreement is NOT a contingency of this
Agreement. If Buyer does not obtain the loan and as a result Buyer does not purchase the Property, Seller may be entitled to Buyer's deposit or
other legal remedies.

- M. SELLER FINANCING: The following terms (or ☐ (if checked) the terms specified in the attached Seller Financing Addendum (C.A.R. Form SFA))
apply ONLY to financing extended by Seller under this Agreement.

- (1) BUYER'S CREDIT-WORTHINESS: Buyer authorizes Seller and/or Brokers to obtain, at Buyer's expense, a copy of Buyer's credit report.
Within 7 (or ☐ _____) Days After Acceptance, Buyer shall provide any supporting documentation reasonably requested by Seller.

Buyer's Initials (EL) (_____)
Seller's Initials (EL) (_____)

Reviewed by _____ Date _____

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VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 1 OF 9)



- (2) **TERMS:** Buyer's promissory note, deed of trust and other documents as appropriate shall incorporate and implement the following additional terms: (i) the maximum interest rate specified in paragraph 2C shall be the actual fixed interest rate for Seller financing; (A) deed of trust shall contain a REQUEST FOR NOTICE OF DEFAULT on senior loans; (iii) Buyer shall sign and pay for a REQUEST FOR NOTICE OF DELINQUENCY prior to Close Of Escrow and at any future time if requested by Seller; (iv) note and deed of trust shall contain an acceleration clause making the loan due, when permitted by law and at Seller's option, upon the sale or transfer of the Property or any interest in it; (v) note shall contain a late charge of 6% of the installment due (or ☐) if the installment is not received within 10 days of the date due; (vi) title insurance coverage in the form of a joint protection policy shall be provided insuring Seller's deed of trust interest in the Property (any increased cost over owner's policy shall be paid by Buyer); and (vii) tax service shall be obtained and paid for by Buyer to notify Seller if property taxes have not been paid.
- (3) **ADDED, DELETED OR SUBSTITUTED BUYERS:** The addition, deletion or substitution of any person or entity under this Agreement or to title prior to Close Of Escrow shall require Seller's written consent. Seller may grant or withhold consent in Seller's sole discretion. Any additional or substituted person or entity shall, if requested by Seller, submit to Seller the same documentation as required for the original named Buyer. Seller and/or Brokers may obtain a credit report, at Buyer's expense, on any such person or entity.
- N. ASSUMED OR "SUBJECT TO" FINANCING:** Seller represents that Seller is not delinquent on any payments due on any loans. Seller shall, within the time specified in paragraph 18, provide copies of all applicable notes and deeds of trust, loan balances and current interest rates to Buyer. Buyer shall then, as specified in paragraph 18B(3), remove this contingency or cancel this Agreement. Differences between estimated and actual loan balances shall be adjusted at Close Of Escrow by cash down payment. Impound accounts, if any, shall be assigned and charged to Buyer and credited to Seller. Seller is advised that Buyer's assumption of an existing loan may not release Seller from liability on that loan. If this is an assumption of a VA Loan, the sale is contingent upon Seller being provided a release of liability and substitution of eligibility, unless otherwise agreed in writing. If the Property is acquired subject to an existing loan, Buyer and Seller are advised to consult with legal counsel regarding the ability of an existing lender to call the loan due, and the consequences thereof.
3. **POSSESSION AND KEY:** Possession and occupancy shall be delivered to Buyer at 5:00 ☐ AM ☒ PM, ☒ on the date of Close Of Escrow; ☐ on ; or ☐ no later than Days After Close Of Escrow. The Property shall be unoccupied, unless otherwise agreed in writing. Seller shall provide keys and/or means to operate all Property locks.
4. **ALLOCATION OF COSTS** (If checked): Unless otherwise specified here, this paragraph only determines who is to pay for the report, inspection, test or service mentioned. If not specified here or elsewhere in this Agreement, the determination of who is to pay for any work recommended or identified by any such report, inspection, test or service is by the method specified in paragraph 18.
- A. INSPECTIONS AND REPORTS:**
- (1) ☐ Buyer ☐ Seller shall pay to have existing septic or private sewage disposal system, if any, inspected
- (2) ☐ Buyer ☐ Seller shall pay for costs of testing to determine the suitability of soil for sewage disposal
- (3) ☐ Buyer ☐ Seller shall pay to have existing wells, if any, tested for water potability and productivity
- (4) ☐ Buyer ☐ Seller shall pay to have Property corners identified
- (5) ☐ Buyer ☒ Seller shall pay for a natural hazard zone disclosure report prepared by
- (6) ☐ Buyer ☐ Seller shall pay for the following inspection or report
- (7) ☐ Buyer ☐ Seller shall pay for the following inspection or report
- B. ESCROW AND TITLE:**
- (1) ☒ Buyer ☒ Seller shall pay escrow fee 50/50
Escrow Holder shall be Chicago Title Co.
- (2) ☒ Buyer ☒ Seller shall pay for owner's title insurance policy specified in paragraph 14 50/50
Owner's title policy to be issued by Chicago Title Co.
(Buyer shall pay for any title insurance policy insuring Buyer's Lender, unless otherwise agreed in writing.)
- C. OTHER COSTS:**
- (1) ☐ Buyer ☒ Seller shall pay County transfer tax or transfer fee
- (2) ☐ Buyer ☐ Seller shall pay City transfer tax or transfer fee
- (3) ☐ Buyer ☐ Seller shall pay HOA transfer fees
- (4) ☐ Buyer ☐ Seller shall pay HOA document preparation fees
- (5) ☐ Buyer ☒ Seller shall pay for 4 percent comm. of purchase price to Craig Realty Advisors Inc.
- (6) ☐ Buyer ☒ Seller shall pay for cost of land use entitlement for buyers we.
5. **STATUTORY DISCLOSURES AND CANCELLATION RIGHTS:**
- A. NATURAL AND ENVIRONMENTAL HAZARDS:** Seller shall, within the time specified in paragraph 18, deliver to Buyer if required by Law (i) earthquake guides (and questionnaire) and environmental hazards booklet; (ii) disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.
- B. MEGAN'S LAW DATABASE DISCLOSURE Notice:** Pursuant to Section 290.46 of the Penal Code, information about specified registered Sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)

Buyer's Initials ()
 Seller's Initials (X) ()

Reviewed by Date



6. SELLER DOCUMENTATION AND ADDITIONAL DISCLOSURE:

A. Within the time specified in paragraph 18, if Seller has actual knowledge, Seller shall provide to Buyer, in writing, the following information:

- (1) **LEGAL PROCEEDINGS:** Any lawsuits by or against Seller, threatening or affecting the Property, including any lawsuits alleging a defect or deficiency in the Property or common areas, or any known notices of abatement or citations filed or issued against the Property.
- (2) **AGRICULTURAL USE:** Whether the Property is subject to restrictions for agricultural use pursuant to the Williamson Act (Government Code §§51200-51295).
- (3) **DEED RESTRICTIONS:** Any deed restrictions or obligations.
- (4) **FARM USE:** Whether the Property is in, or adjacent to, an area with Right to Farm rights (Civil Code §3482.5 and §3482.6).
- (5) **ENDANGERED SPECIES:** Presence of endangered, threatened, 'candidate' species, or wetlands on the Property.
- (6) **ENVIRONMENTAL HAZARDS:** Any substances, materials, or products that may be an environmental hazard including, but not limited to, asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, and contaminated soil or water on the Property.
- (7) **COMMON WALLS:** Any features of the Property shared in common with adjoining landowners, such as walls, fences, roads, and driveways, and agriculture and domestic wells whose use or responsibility for maintenance may have an effect on the Property.
- (8) **LANDLOCKED:** The absence of legal or physical access to the Property.
- (9) **EASEMENTS/ENCROACHMENTS:** Any encroachments, easements or similar matters that may affect the Property.
- (10) **SOIL FILL:** Any fill (compacted or otherwise), or abandoned mining operations on the Property.
- (11) **SOIL PROBLEMS:** Any slippage, sliding, flooding, drainage, grading, or other soil problems.
- (12) **EARTHQUAKE DAMAGE:** Major damage to the Property or any of the structures from fire, earthquake, floods, or landslides.
- (13) **ZONING ISSUES:** Any zoning violations, non-conforming uses, or violations of "setback" requirements.
- (14) **NEIGHBORHOOD PROBLEMS:** Any neighborhood noise problems, or other nuisances.

B. **RENTAL AND SERVICE AGREEMENTS:** Within the time specified in paragraph 18, Seller shall make available to Buyer for inspection and review, all current leases, rental agreements, service contracts and other related agreements, licenses, and permits pertaining to the operation or use of the Property.

C. ☐ **TENANT ESTOPPEL CERTIFICATES:** (If checked) Within the time specified in paragraph 18, Seller shall deliver to Buyer tenant estoppel certificates (C.A.R. Form TEC) completed by Seller or Seller's agent, and signed by tenants, acknowledging: (i) that tenants' rental or lease agreements are unmodified and in full force and effect (or if modified, stating all such modifications); (ii) that no lessor defaults exist; and (iii) stating the amount of any prepaid rent or security deposit.

D. **MELLO-ROOS TAX; 1915 BOND ACT:** Within the time specified in paragraph 18, Seller shall: (i) make a good faith effort to obtain a notice from any local agencies that levy a special tax or assessment on the Property (or, if allowed, substantially equivalent notice), pursuant to the Mello-Roos Community Facilities Act, and Improvement Bond Act of 1915, and (ii) promptly deliver to Buyer any such notice obtained.

7. CONDOMINIUM/PLANNED UNIT DEVELOPMENT DISCLOSURES:

A. **SELLER HAS:** 7 (or ☐ _____) Days After Acceptance to disclose to Buyer whether the Property is a condominium, or located in a planned unit development or other common interest subdivision.

B. If the Property is a condominium, or located in a planned unit development or other common interest subdivision, Seller has 3 (or ☐ _____) Days After Acceptance to request from the HOA (C.A.R. Form HOA): (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; (v) the names and contact information of all HOAs governing the Property; and (vi) the following if Seller has actual knowledge: (a) any material defects in the condition of common area (such as pools, tennis courts, walkways or other areas co-owned in undivided interest with other); and (b) possible lack of compliance with HOA requirements (collectively, "CI Disclosures"). Seller shall itemize and deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement, as specified in paragraph 18.

8. **SUBSEQUENT DISCLOSURES:** In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer of which Buyer is otherwise unaware, Seller shall promptly provide a subsequent or amended disclosure or notice, in writing, covering those items. However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies disclosed in reports ordered and paid for by Buyer.

9. CHANGES DURING ESCROW:

A. Prior to Close Of Escrow, Seller may engage in the following acts, ("Proposed Changes"), subject to Buyer's rights in paragraph 18: (i) rent or lease any part of the premises; (ii) alter, modify or extend any existing rental or lease agreement; (iii) enter into, alter, modify or extend any service contract(s); or (iv) change the status of the condition of the Property.

B. At least 7 (or ☐ _____) Days prior to any Proposed Changes, Seller shall give written notice to Buyer of such Proposed Changes.

10. CONDITIONS AFFECTING PROPERTY:

A. Unless otherwise agreed: (i) the Property is sold (a) in its PRESENT physical condition as of the date of Acceptance and (b) subject to Buyer Investigation rights; and (ii) the Property is to be maintained in substantially the same condition as on the date of Acceptance.

B. ☐ (If checked) All debris and personal property not included in the sale shall be removed by Close Of Escrow.

C. **SELLER SHALL, within the time specified in paragraph 18, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS AFFECTING THE PROPERTY AND MAKE OTHER DISCLOSURES REQUIRED BY LAW.**

D. **NOTE TO BUYER:** You are strongly advised to conduct investigations of the entire Property in order to determine its present condition since Seller may not be aware of all defects affecting the Property or other factors that you consider important. Property improvements may not be built according to code, in compliance with current Law, or have had permits issued.

E. **NOTE TO SELLER:** Buyer has the right to inspect the Property and, as specified in paragraph 18, based upon information discovered in those inspections: (i) cancel this Agreement; or (ii) request that you make Repairs or take other action.

Buyer's Initials [Signature] (_____)
Seller's Initials [Signature] (_____)

Reviewed by _____ Date _____



11. ITEMS INCLUDED AND EXCLUDED:

- A. **NOTE TO BUYER AND SELLER:** Items listed as included or excluded in the MLS, flyers or marketing materials are not included in the purchase price or excluded from the sale unless specified in 11B or C.
- B. **ITEMS INCLUDED IN SALE**
 (1) All EXISTING fixtures and fittings that are attached to the Property;
 (2) The following items: Pre-paid fees of any kind that are relevant to property.
Improvement Bonds and Guarantees in place that are required per agency agreement.
 (3) Seller represents that all items included in the purchase price, unless otherwise specified, are owned by Seller.
 (4) All items included shall be transferred free of liens and without Seller warranty.
- C. **ITEMS EXCLUDED FROM SALE:** _____

12. BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:

- A. Buyer's acceptance of the condition of, and any other matter affecting the Property is a contingency of this Agreement, as specified in this paragraph and paragraph 18. Within the time specified in paragraph 18, Buyer shall have the right, at Buyer's expense, unless otherwise agreed, to conduct inspections, investigations, tests, surveys, and other studies ("Buyer Investigations"), including, but not limited to, the right to: (i) inspect for lead-based paint and other lead-based paint hazards; (ii) inspect for wood destroying pests and organisms; (iii) review the registered sex offender database; (iv) confirm the insurability of Buyer and the Property; and (v) satisfy Buyer as to any matter specified below. Without Seller's prior written consent, Buyer shall neither make nor cause to be made: (i) invasive or destructive Buyer Investigations; or (ii) inspections by any governmental building or zoning inspector, or government employee, unless required by Law.
- B. Buyer shall complete Buyer Investigations and, as specified in paragraph 18, remove the contingency or cancel this Agreement. Buyer shall give Seller, at no cost, complete Copies of all Buyer Investigation reports obtained by Buyer. Seller shall make Property available for all Buyer Investigations. If the following have already been connected and available, Seller shall have water, gas, electricity, and all operable pilot lights on for Buyer's Investigations and through the date possession is made available to Buyer.
- BUYER IS STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY AND ALL MATTERS AFFECTING THE VALUE OR DESIRABILITY OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO, THE ITEMS SPECIFIED BELOW. IF BUYER DOES NOT EXERCISE THESE RIGHTS, BUYER IS ACTING AGAINST THE ADVICE OF BROKERS. BUYER UNDERSTANDS THAT ALTHOUGH CONDITIONS ARE OFTEN DIFFICULT TO LOCATE AND DISCOVER, ALL REAL PROPERTY CONTAINS CONDITIONS THAT ARE NOT READILY APPARENT AND THAT MAY AFFECT THE VALUE OR DESIRABILITY OF THE PROPERTY. BUYER AND SELLER ARE AWARE THAT BROKERS DO NOT GUARANTEE, AND IN NO WAY ASSUME RESPONSIBILITY FOR, THE CONDITION OF THE PROPERTY. BROKERS HAVE NOT AND WILL NOT VERIFY ANY OF THE ITEMS IN THIS PARAGRAPH 12, UNLESS OTHERWISE AGREED IN WRITING.**
- C. **SIZE, LINES, ACCESS AND BOUNDARIES:** Lot size, property lines, legal or physical access and boundaries including features of the Property shared in common with adjoining landowners, such as walls, fences, roads and driveways, whose use or responsibility for maintenance may have an effect on the Property and any encroachments, easements or similar matters that may affect the Property. (Fences, hedges, walls and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. Property lines may be verified by survey.) (Unless otherwise specified in writing, any numerical statements by Brokers regarding lot size are APPROXIMATIONS ONLY, which have not been and will not be verified, and should not be relied upon by Buyer.)
- D. **ZONING AND LAND USE:** Past, present, or proposed laws, ordinances, referendums, initiatives, votes, applications and permits affecting the current use of the Property, future development, zoning, building, size, governmental permits and inspections. Any zoning violations, non-conforming uses, or violations of "setback" requirements. (Buyer should also investigate whether these matters affect Buyer's intended use of the Property.)
- E. **UTILITIES AND SERVICES:** Availability, costs, restrictions and location of utilities and services, including but not limited to, sewerage, sanitation, septic and leach lines, water, electricity, gas, telephone, cable TV and drainage.
- F. **ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel, oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, including mold (airborne, toxic or otherwise), fungus or similar contaminant, materials, products or conditions.
- G. **GEOLOGIC CONDITIONS:** Geologic/seismic conditions, soil and terrain stability, suitability and drainage including any slippage, sliding, flooding, drainage, grading, fill (compacted or otherwise), or other soil problems.
- H. **NATURAL HAZARD ZONE:** Special Flood Hazard Areas, Potential Flooding (Inundation) Areas, Very High Fire Hazard Zones, State Fire Responsibility Areas, Earthquake Fault Zones, Seismic Hazard Zones, or any other zone for which disclosure is required by Law.
- I. **PROPERTY DAMAGE:** Major damage to the Property or any of the structures or non-structural systems and components and any personal property included in the sale from fire, earthquake, floods, landslides or other causes.
- J. **NEIGHBORHOOD, AREA AND PROPERTY CONDITIONS:** Neighborhood or area conditions, including Agricultural Use Restrictions pursuant to the Williamson Act (Government Code §§51200-51295), Right To Farm Laws (Civil Code §3482.5 and §3482.6), schools, proximity and adequacy of law enforcement, crime statistics, the proximity of registered felons or offenders, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, abandoned mining operations on the Property, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.

Buyer's Initials (*SL*) (_____)
 Seller's Initials (*SL*) (_____)

Reviewed by _____ Date _____



- K. COMMON INTEREST SUBDIVISIONS: OWNER ASSOCIATIONS:** Facilities and condition of common areas (facilities such as pools, tennis courts, walkways and other areas co-owned in undivided interest with others), Owners' Association that has any authority over the subject property, CC&Rs, or other deed restrictions or obligations, and possible lack of compliance with any Owners' Association requirements.
- L. SPECIAL TAX:** Any local agencies that levy a special tax on the Property pursuant to the Mello-Roos Community Facilities Act or Improvement Bond Act of 1915.
- M. RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants and the right of a landlord to terminate a tenancy.
- N. MANUFACTURED HOME PLACEMENT:** Conditions that may affect the ability to place and use a manufactured home on the Property.
- 13. BUYER INDEMNITY AND SELLER PROTECTION FOR ENTRY UPON PROPERTY:** Buyer shall: (i) keep the Property free and clear of liens; (ii) Repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-Responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination of this Agreement.
- 14. TITLE AND VESTING:**
- A. Within the time specified in paragraph 18, Buyer shall be provided a current preliminary (title) report, which is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. Buyer's review of the preliminary report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 18.
 - B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except: (i) monetary liens of record unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing.
 - C. Within the time specified in paragraph 18, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.
 - D. At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.
 - E. Buyer shall receive a standard coverage owner's CLTA policy of title insurance. An ALTA policy or the addition of endorsements may provide greater coverage for Buyer. A title company, at Buyer's request, can provide information about the availability, desirability, coverage, and cost of various title insurance coverages and endorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and pay any increase in cost.
- 15. SALE OF BUYER'S PROPERTY:**
- A. This Agreement is NOT contingent upon the sale of any property owned by Buyer
 - OR B. ☐ (If checked) The attached addendum (C.A.R. Form COP) regarding the contingency for the sale of property owned by Buyer is incorporated into this Agreement
- 16. ☐ MANUFACTURED HOME PURCHASE** (If checked): the purchase of the Property is contingent upon Buyer acquiring a personal property manufactured home to be placed on the Property after Close Of Escrow. Buyer ☐ has ☐ has not entered into a contract for the purchase of a personal property manufactured home. Within the time specified in paragraph 18, Buyer shall remove this contingency or cancel this Agreement, (OR, if checked, ☐ this contingency shall remain in effect until the Close Of Escrow of the Property).
- 17. ☐ CONSTRUCTION LOAN FINANCING** (If checked): The purchase of the Property is contingent upon Buyer obtaining a construction loan. A draw from the construction loan ☐ will ☐ will not be used to finance the Property. Within the time specified in paragraph 18, Buyer shall remove this contingency or cancel this Agreement (or, if checked, ☐ this contingency shall remain in effect until Close Of Escrow of the Property).
- 18. TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS:** The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph must be in writing (C.A.R. Form CR).
- A. SELLER HAS: 7 (or 5 10) Days After Acceptance to deliver to Buyer all reports, disclosures and information for which Seller is responsible under paragraphs 2N, 4, 5A, 6, 7A, 10C and 14.
 - B. (1) BUYER HAS 17 (or 5 30) Days After Acceptance, unless otherwise agreed, in writing, to complete all Buyer Investigations; approve all disclosures, reports and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property (including lead-based paint and lead-based paint hazards as well as other information specified in paragraph 5 and Insurability of Buyer and the Property).
 - (2) Within the time specified in 18B(1), Buyer may request that Seller make Repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to a respond to Buyer's requests.
 - (3) By the end of the time specified in 18B(1) (or 2J for loan contingency; 2K for appraisal contingency; 16 for manufactured home purchase; and 17 for constructive home financing), Buyer shall remove, in writing, the applicable contingency (C.A.R. Form CR) or cancel this Agreement. However, if the following inspections, reports or disclosures are not made within the time specified in 18A, then Buyer has 5 (or ☐) Days after receipt of any such items, or the time specified in 18B(1), whichever is later, to remove the applicable contingency or cancel this Agreement in writing: (i) government-mandated inspections or reports required as a condition of dosing; (ii) Common Interest Disclosures pursuant to paragraph 78; (iii) a subsequent or amended disclosure pursuant to paragraph 8; and (iv) Proposed Changes pursuant to paragraph 9
- C. CONTINUATION OF CONTINGENCY OR CONTRACTUAL OBLIGATION; SELLER RIGHT TO CANCEL:**
- (1) Seller right to Cancel: Buyer Contingencies: Seller, after first giving Buyer a Notice to Buyer to Perform (as specified below), may cancel this Agreement in writing and authorize return of Buyer's deposit if, by the time specified in this Agreement, Buyer does not remove in writing the applicable contingency or cancel this Agreement. Once all contingencies have been removed, failure of either Buyer or Seller to close escrow in time may be a breach of this Agreement.

Buyer's Initials (SP) ()
 Seller's Initials (X) ()

Reviewed by Date



- (2) **Continuation of Contingency:** Even after the expiration of the time specified in 18B, Buyer retains the right to make requests to Seller, remove in writing the applicable contingency or cancel this Agreement until Seller cancels pursuant to 18C(1). Once Seller receives Buyer's written removal of all contingencies, Seller may not cancel this Agreement pursuant to 18C(1).
- (3) **Seller right to Cancel: Buyer Contract Obligations:** Seller, after first giving Buyer a Notice to Buyer to Perform (as specified below), may cancel this Agreement in writing and authorize return of Buyer's deposit for any of the following reasons: (i) if Buyer fails to deposit funds as required by 2A or 2B; (ii) if the funds deposited pursuant to 2A or 2B are not good when deposited; (iii) if Buyer fails to provide a letter as required by 2H; (iv) if Buyer fails to provide verification as required by 2O or 2I or supporting documentation pursuant to 2M; or (v) if Seller reasonably disapproves of the verification provided by 2D or 2I or the credit report or supporting documentation pursuant to 2M. Seller is not required to give Buyer a Notice to Perform regarding Close Of Escrow.
- (4) **Notice To Buyer To Perform:** The Notice to Buyer to Perform (C.A.R. Form NBP) shall: (i) be in writing; (ii) be signed by Seller; and (iii) give Buyer at least 24 (or ☒ 72) hours (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A Notice to Buyer to Perform may not be given any earlier than 2 Days Prior to the expiration of the applicable time for Buyer to remove a contingency or cancel this Agreement or meet an 18C(3) obligation.
- D. **EFFECT OF BUYER'S REMOVAL OF CONTINGENCIES** If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in a separate written agreement between Buyer and Seller, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of reports and other applicable information and disclosures pertaining to mat contingency or cancellation right; (ii) elected to proceed with the transaction, and (iii) assumed all liability, responsibility, and expense for repairs or corrections pertaining to that contingency or cancellation right, or for inability to obtain financing.
- E. **EFFECT OF CANCELLATION ON DEPOSITS:** If Buyer or Seller gives written NOTICE OF CANCELLATION pursuant to rights duly exercised under the terms of this Agreement, Buyer and Seller agree to Sign mutual instructions to cancel the sale and escrow and release deposits, less fees and costs, to the party entitled to the funds. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Release of funds will require mutual Signed release instructions from Buyer and Seller, judicial decision or arbitration award.
19. **FINAL VERIFICATION OF CONDITION:** Buyer shall have the right to make a final inspection of the Property within 5 (or _____) Days Prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 10A; (ii) Repairs have been completed as agreed; and (iii) Seller has complied with Seller's other obligations under this Agreement.
20. **ENVIRONMENTAL HAZARD CONSULTATION** Buyer and Seller acknowledge: (i) Federal, state, and local legislation impose liability upon existing and former owners and users of real Property, in applicable situations, for certain legislatively defined, environmentally hazardous substances; (ii) Broker(s) has/have made no representation concerning the applicability of any such Law to this transaction or to Buyer or to Seller, except as otherwise indicated in this Agreement; (iii) Broker(s) has/have made no representation concerning the existence, testing, discovery, location and evaluation of, for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and (iv) Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discovery, location and evaluation of, for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.
21. **LIQUIDATED DAMAGES:** If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. Buyer and Seller agree that this amount is a reasonable sum given that it is impractical or extremely difficult to establish the amount of damages that would actually be suffered by Seller in the event Buyer were to breach this Agreement. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award.

Buyer's Initials _____

Seller's Initials _____

22. DISPUTE RESOLUTION:

- A. **MEDIATION:** Buyer and Seller agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action. Paragraphs 22B(2) and (3) below apply whether or not the Arbitration provision is initiated. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if it would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.
- B. **ARBITRATION OF DISPUTES:** (1) Buyer and Seller agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraphs 22B(2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional Law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. The parties shall have the right to discovery in accordance with Code of Civil Procedure (1283.05). In all other respects, the arbitration shall be conducted in accordance with Title 9 of Part III of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction. Interpretation of this agreement to arbitrate shall be governed by the Federal Arbitration Act.
- (2) **EXCLUSIONS FROM MEDIATION AND ARBITRATION:** The following matters are excluded from mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the mediation and arbitration provisions.
- (3) **BROKERS:** Buyer and Seller agree to mediate and arbitrate disputes or claims involving either or both Brokers, consistent with 22A and B, provided either or both Brokers shall have agreed to such mediation or arbitration prior to, or within a reasonable time after, the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not mutt. In Brokers being deemed parties to the Agreement.

 Buyer's Initials (EL) (_____)
 Seller's Initials (EL) (_____)

Reviewed by _____ Date _____



"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION"

Seller's Initials

- 30. OTHER TERMS AND CONDITIONS, including attached supplements:**

See addendum #2

- H. "Days Prior" means the specified number of calendar days before the occurrence of the event specified, not counting the calendar date on which the specified event is scheduled to occur.

Seller's Initials (X) ()

Reviewed by _____ Date 7/2

legis.
K. "Not

' as otherwise specified in paragraph 18C(4)) to remove a contingency or perform as applicable
any repairs, alterations, replacements, modifications or retrofitting of the Property
either a handwritten or electronic signature on an original document, Copy or any counterpart.
each

acknowledge receipt of a d
part of a listing agreement,

☐ Selling Agent Craig Realty Advisors Inc. (Print Firm Name)
(if not same as Listing Agent) is the agent of (check one): ☒ the Buyer exclusively; ☐ the Seller exclusively; or ☐ both the Buyer and Seller.
Real Estate Brokers are not parties to the Agreement between Buyer and Seller.

INSTRUCTIONS TO ESCROW HOLDER:

Paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller
; which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to

immediately notify Brokers (i) if Buyer's initial or any additional deposit is not received from Buyer
with Escrow Holder; or (ii) if Buyer and Seller instruct Escrow Holder to cancel escrow.

D. A Copy of any amendment that affects any paragraph of this Agreement for
Holder within 2 business days after mutual execution of the amendment.

34. **SCOPE OF BROKER DUTY:** Buyer and Seller acknowledge and agree that: Brokers: (i) do not
accept; (ii) do not guarantee the condition of the Property; (iii) do not guarantee the performance

required to perform real
estate services through
appropriate professionals.

BROKER COMPENSATION FROM BUYER: If applicable, a separate written agreement between Buyer and Broker.

TERMS AND CONDITIONS OF OFFER: This is an offer

for payment
two or more
Buyer's Initials ([Signature])
Seller's Initials (X)

Reviewed by _____ Date _____

EQUAL HOUSING
OPPORTUNITY

Property: 217 East Lockeford Street

Date: November 24, 2008

37. EXPIRATION OF OFFER: This offer shall be deemed revoked and the deposit shall be returned, unless the offer is Signed by Seller, and a Copy of the Signed offer is personally received by Buyer, or by _____ who is authorized to receive it by 5:00 PM on the third Day after this offer is signed by Buyer (or, if checked, ☐ by _____ (date), at _____ ☐ AM ☐ PM).

Date _____
BUYER Eagles Lodge of Lodi
By X [Signature]
Print Name WAGNER
Title _____
Address _____

Date _____
BUYER _____
By _____
Print Name _____
Title _____
Address _____

38. BROKER COMPENSATION FROM SELLER:

- A. Upon Close Of Escrow, Seller agrees to pay compensation to Broker as specified in a separate written agreement between Seller and Broker.
B. If escrow does not close, compensation is payable as specified in the separate written agreement.

39. ACCEPTANCE OF OFFER: Seller warrants that Seller is the owner of the Property, or has the authority to execute this Agreement. Seller accepts the above offer, agrees to sell the Property on the above terms and conditions, and agrees to the above confirmation of agency relationships. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes Broker to deliver a Signed Copy to Buyer.

☐ (If checked) SUBJECT TO ATTACHED COUNTER OFFER, DATED _____

Date _____
SELLER City of Lodi
By X
Print Name _____
Title _____
Address 221 West Pine St.
Lodi, CA 95240

Date _____
SELLER _____
By _____
Print Name _____
Title _____
Address _____

(_____/_____) Confirmation of Acceptance A Copy of Signed Acceptance was personally received by Buyer or Buyer's authorized agent on (date) _____ at _____ ☐ AM ☐ PM A binding Agreement is created when a Copy of Signed Acceptance is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.

REAL ESTATE BROKERS:

- A. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.
B. Agency relationships are confirmed as stated in paragraph 32.
C. If specified in paragraph 2A, Agent who submitted offer for Buyer acknowledges receipt of deposit.
D. COOPERATING BROKER COMPENSATION: Listing Broker agrees to pay Cooperating Broker (Selling Firm) and Cooperating Broker agrees to accept, out of Listing Broker's proceeds in escrow: (i) The amount specified in the MLS or PDS, provided Cooperating Broker is a Participant of the MLS or PDS in which the Property is offered for sale or a reciprocal MLS or PDS, or ☐ (if checked) (ii) the amount specified in a separate written agreement (C.A.R. Form CBC) between Listing Broker and Cooperating Broker.

Real Estate Broker (Selling Firm) Craig Realty Advisors Inc. DRE Lic. # 01852886
By [Signature] Wayne Craig DRE Lic. # 00681543 Date _____
Address 2224 Cochran Road No. 1 City Lodi State CA Zip 95242
Telephone (209) 327-2222 Fax (209) 334-5049 E-mail wayne.craig@craigra.com

Real Estate Broker (Listing Firm) _____ DRE Lic. # _____
By _____ Date _____
Add _____ City _____ State _____ Zip _____
Telephone _____ Fax _____ E-mail _____

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, ☐ a deposit in the amount of \$ _____), counter offer numbers _____ and _____, and agrees to act as Escrow Holder subject to paragraph 33 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised that the date of Confirmation of Acceptance of the Agreement as between Buyer and Seller is _____

Escrow Holder Chicago Title Co. - Sandy Deutscher Escrow # _____
By _____ Date _____
Address _____
Phone/Fax/E-mail //
Escrow Holder is licensed by the California Department of ☐ Corporations, ☐ Insurance, ☐ Real Estate. License # _____

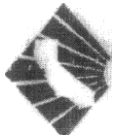
(_____/_____) REJECTION OF OFFER: No counter offer is being made. This offer was reviewed and rejected by Seller on (Seller's Initials) _____ (Date) _____

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Reviewed by _____ Date _____





CALIFORNIA
ASSOCIATION
OF REALTORS®

ADDENDUM

(C.A.R. Form ADM, Revised 10/01)

No. 1

The following terms and conditions are hereby incorporated in and made a part of the ☐ Residential Purchase Agreement ☐ Manufactured Home Purchase Agreement, ☐ Business Purchase Agreement, ☐ Residential Lease or Month-to-Month Rental Agreement ☒ Vacant Land Purchase Agreement, ☐ Residential Income Property Purchase Agreement ☐ Commercial Property Purchase Agreement ☐ other _____

dated November 24, 2008 on property known as 217 East Lockeford Street, Lodi

in which Eagles Lodge of Lodi is referred to as ("Buyer/Tenant")
and City of Lodi is referred to as ("Seller/Landlord")

Other Terms and Conditions:

1. Buyer acknowledges that the City of Lodi will require an easement or dedication for the front 18 feet along the Lockeford Street — sure.

2. If a change of zone or any other entitlement is required by the City for Buyers intended use then the Seller shall process, at Sellers sole cost, the approval of same. Said entitlements may be processed after the closing providing the Buyer is allowed to construct their intended building on the parcel currently zoned M-1 prior to the change of zoning of the adjacent parcels

3. Purchase includes all improvements thereon including rights for storm drainage and unrestricted ingress and egress to the site from both Stockton and Washington Streets.

4. In an effort to encourage development of the subject property, the Seller agrees to use its best efforts at reducing impact and building fees and to use all legally available options to reduce Buyers fees and improvement costs.

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date _____

Date _____

Buyer/Tenant *Chris Katzakian*
Eagles Lodge of Lodi

Seller/Landlord ☒ City of Lodi

Buyer/Tenant _____

Seller/Landlord _____

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Reviewed by
Broker or Designee _____ Date _____



ADM-11 REVISED 10/01 (PAGE 1 OF 1)

ADDENDUM (ADM-11 PAGE 1 OF 1)

Baker Pearson Real Estate
Phone: (209) 339-4222

221 West Oak Street, Suite A, Lodi CA 95240
Fax: (209) 339-4228 chris.katzakian

Eagles Lodge o

SIGNATURE PAGE

Reference is made to that certain Vacant Land Purchase Agreement dated November 24, 2008, by and between the **City of Lodi** as Sellers and the **Fraternal Order of Eagles** as Buyers for the 1.34 acre parcel of land commonly referred to as 217 E. Lockeford Street, Lodi, California

Where the Agreement does not provide adequate space for all Buyers signatures and whereas the By Laws of the Buyer require said signatures Therefore, be it resolved that the parties herein below are the authorized signatories on the subject Agreement. Be it further resolved that one set of initials on the body of the Agreement shall represent all signing parties

All Terms and Conditions of the Agreement and all addendum and attachments are agreed to:

Fraternal Order of Eagles

By: [Signature] Title Trustee Date 12-8-08

By: [Signature] Title Vice President Date 12-8-08

By: [Signature] Title Secretary Date 12-8-08

By: [Signature] Title Treasurer Date 12-8-08

By: _____ Title _____ Date _____

VACANT LAND PURCHASE AGREEMENT ADDENDUM

The following terms and conditions are hereby incorporated in and made a part of the Vacant Land Purchase Agreement dated November 24, 2008 on property known as 217 E Lockeford Street, Lodi in which the Eagles Lodge of Lodi is referred to as "Buyer" and the City of Lodi is referred to as "Seller"

Other Terms and Conditions:

1 City rejects buyers Addendum #1 and substitutes the following "Other Terms and Conditions"

2 Prior to the close of escrow, Buyer shall grant a street easement to the City of Lodi for the front 18 feet along Lockeford Street frontage for expansion of Lockeford Street in the form attached hereto as Exhibit A, and a Public Utility Easement along the north property line for existing electric utility facilities in the form attached hereto as Exhibit B. Upon the close of escrow the deeds will be issued to the City of Lodi

3 If a zoning change is required to permit buyers intended use of the property as a club hall, and the zoning change is not granted by August 31, 2009. Buyer shall have the option to sell this property back to the City of Lodi for Buyers purchase price

4 Buyer shall be subject to all applicable conditions and fees, subject to credits for any grandfathered rights applicable to the parcel

5 Buyer shall have access off of Stockton and Washington Streets subject to the Public Works Director's judgment as to the physical location of driveway approaches

6 Paragraph 4.C.(6) of the Vacant Land Purchase Agreement and Joint Escrow instructions is amended to read as follows: Buyer shall pay for cost of land use entitlements by Buyers use.

CITY OF LODI, a municipal corporation

EAGLES LODGE OF LODI

BLAIR KING
City Manager

By [Signature]
Name Robert Wagner
Title Director

Dated: _____

Dated: 1-5-09

ATTEST:

RANDI JOHL
City Clerk

APPROVED AS TO FORM:

D. STEPHEN SCHWABAUER
City Attorney

EXHIBIT A

WHEN RECORDED MAIL TAX
STATEMENT AND RECORDED
DOCUMENT TO

CITY CLERK
CITY OF LODI
P. O. BOX 3008
LODI, CALIFORNIA 95241-1910

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN. 041-220-02
217 E. Lockeford Street

STREET EASEMENT DEED

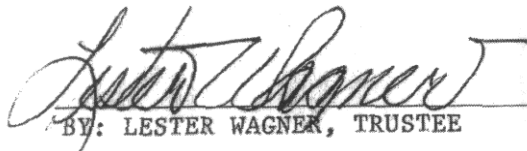
EAGLES LODGE OF LODI

hereby GRANT to the CITY OF CON, a municipal corporation, in dedication to the public use, an easement for the purposes of public travel and access and the right to construct, maintain, repair, replace, remove and operate lines for public utilities, both publicly and privately owned, together with the right to enter upon the land herein described to Me extent that such entry may be necessary for the construction, maintaining, repairing, replacing, removing and operating said access, lines or appurtenances thereto, in over, under and across the real property, insofar as our title extends, situated in the City of Lodi, County of San Joaquin, State of California, and particularly described as follows

SEE ATTACHED LEGAL DESCRIPTION

FRATERNAL ORDER OF EAGLES

Dated: December 23, 2008


BY: LESTER WAGNER, TRUSTEE

This document **MUST** be notarized Please attach proper notarial acknowledgment

Description approved

Date

APN: 041-220-02
217 E. Lockeford Street

LEGAL DESCRIPTION

LOCKEFORD STREET WIDENING AND SOUTHWEST CORNER CUT-OFF

The True Point of Beginning being the **Southwest corner** of Lot 1 in block 3 of "Map No. 2, Lawrence Homestead Addition", filed **August** 10, 1922 in **Book of Maps**, Vol. 10, page 59, San Joaquin County Records.

Thence North 87° 02' 00" **East**, 322.90 feet **along** the **North** line of Lockeford Street as **shown on said Map**; thence North 04° 42' 00" East, **18.16** feet **along** the **east property** line of Lot 3 in block 3 of "Map No. 2, Lawrence Homestead Addition", thence South 87° 02' West, 292.60 feet, thence North **49° 33' 01"** West, 37.00 feet to the west line of the aforementioned Lot 1, thence **South 04° 42' 00"** **West**, 43.82 feet along said west line of Lot 1 in block 3. to the TRUE POINT OF BEGINNING.

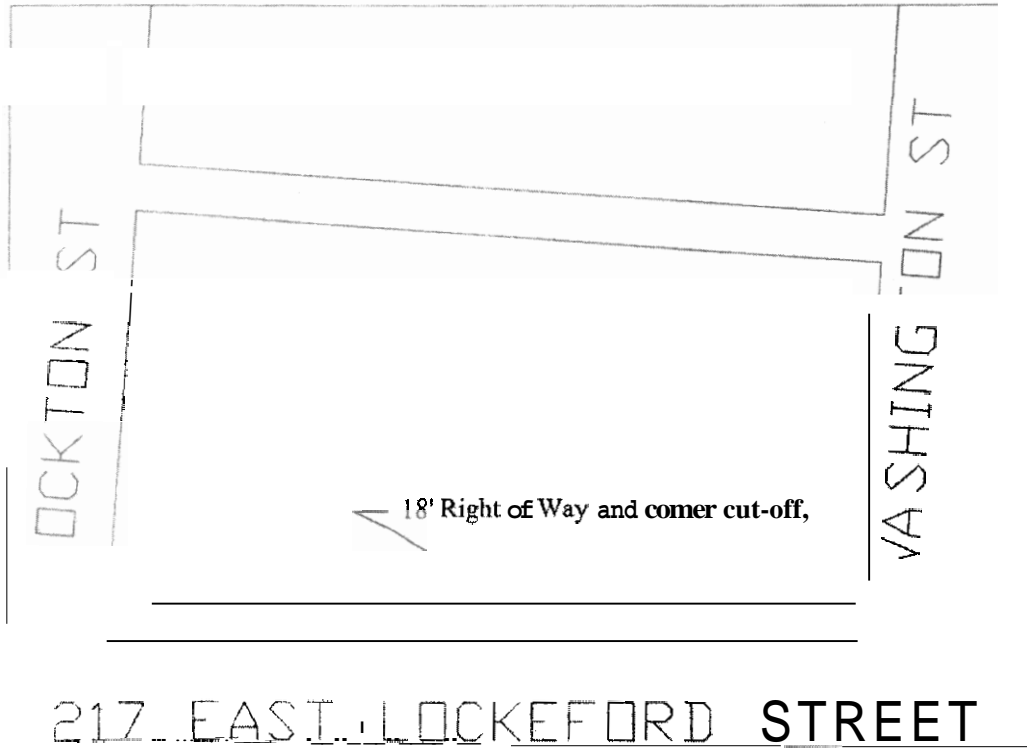


CITY OF LODI

PUBLIC WORKS DEPARTMENT

217 E. LOCKEFORD STREET

EXHIBIT



VICINITY MAP



N.T.S.

state of CALIFORNIA)
County of SAN JOAQUIN)

on December 23, 2008 before me,
S. DEUTSCHER, Notary Public (here insert name and title of the officer),
personally appeared LESTER WAGNER,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that
by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted,
executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and
correct.

WITNESS my hand and official seal.

Signature *S. Deutscher* (Seal)

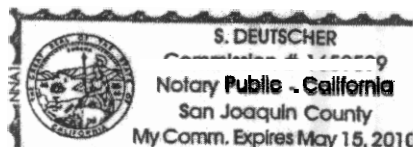


EXHIBIT B

WHEN RECORDED MAIL TAX
STATEMENT AND RECORDED
DOCUMENT TO

CITY CLERK
CITY OF LODI
P.O. BOX 3006
LODI, CALIFORNIA 95241-1910

APN 041-220-02
217 F Lockeford Street

SPACE ABOVE THIS LINE FOR RECORDER'S USE

ELECTRICAL UTILITY EASEMENT DEED

—EAGLES LODGE OF LODI

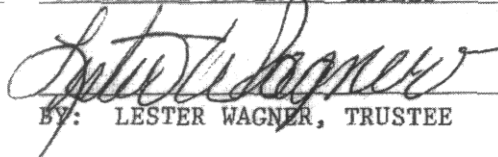
hereby GRANT to the City of Lodi, Electrical Utility Department, the right to construct maintain, repair, remove and replace electric utility poles, and operate overhead lines for the distribution of electricity and or for lighting of public thoroughfares, together with the right to enter upon the land herein described to the extent that such entry may be necessary for the construction, maintenance, repair, replacement, removal and operation of electric lines or appurtenances thereto, over and across the real property, insofar as our title extends, situated in the County of San Joaquin, State of California, and particularly described as follows:

SEE ATTACHED LEGAL DESCRIPTION

Grantor reserves the right to use the surface providing the said use does not interfere with Grantees enjoyment of this easement, but Grantor shall have no right to construct any buildings or structures within said easement

Dated December 23, 2008

FRATERNAL ORDER OF EAGLES


BY: LESTER WAGNER, TRUSTEE

This document MUST be notarized. Please attach proper notarial acknowledgment.

Description approved:

Date

APN: **041**-220-02
217 E. Lockeford Street

LEGAL DESCRIPTION

Easement No. 1:

The North 16.5 feet of the following described parcel of land:

The land referred to herein is situated in the State of California, County of San Joaquin, City of Lodi, and is described as follows:

Commencing ~~at~~ the Northwest ~~comer~~ of Block **38** as shown upon ~~Map~~ entitled, "Lawrence Homestead Addition", ~~tiled~~ for record **April 5**, 1920, in Vol. 10 of ~~Maps~~ and Plats, Page **5**, San Joaquin county Records, and running thence South 85°18' **East** along South line of alley **86** feet to the True Point of Beginning of the following described ~~tract~~.

Thence continuing South 85°18' East along the South line of said alley 101 feet; thence South 4°42' West, 182.47 feet to North line of Lockeford Street as **shown** on said Map; thence South 87°02' West along the said North line of Lockeford Street, 101.90 feet; and thence North 4°42' East, 196.04 feet to the True Point of Beginning.

Buildings and ~~structures~~ in conformance with City of Lodi zoning ordinances and building codes are permitted in the south 11.5 feet of the 16.5 feet overhead public utility easement to a maximum height of 23 feet.

Easement No. 2:

The North 16.5 feet of the following described parcels of land:

Lots 1, 2 and 3 in Block 3 of "Map No. 2, Lawrence Homestead **Addition**", filed August 10, 1922, in Book of **Maps**, Vol. 10, Page **59**, San Joaquin County Records.

Buildings and **structures** in conformance with **City** of Lodi zoning ordinances **and** building codes **are** permitted in the south **11.5** feet of the north 16.5 feet overhead public utility easement to a maximum height of **23** feet.

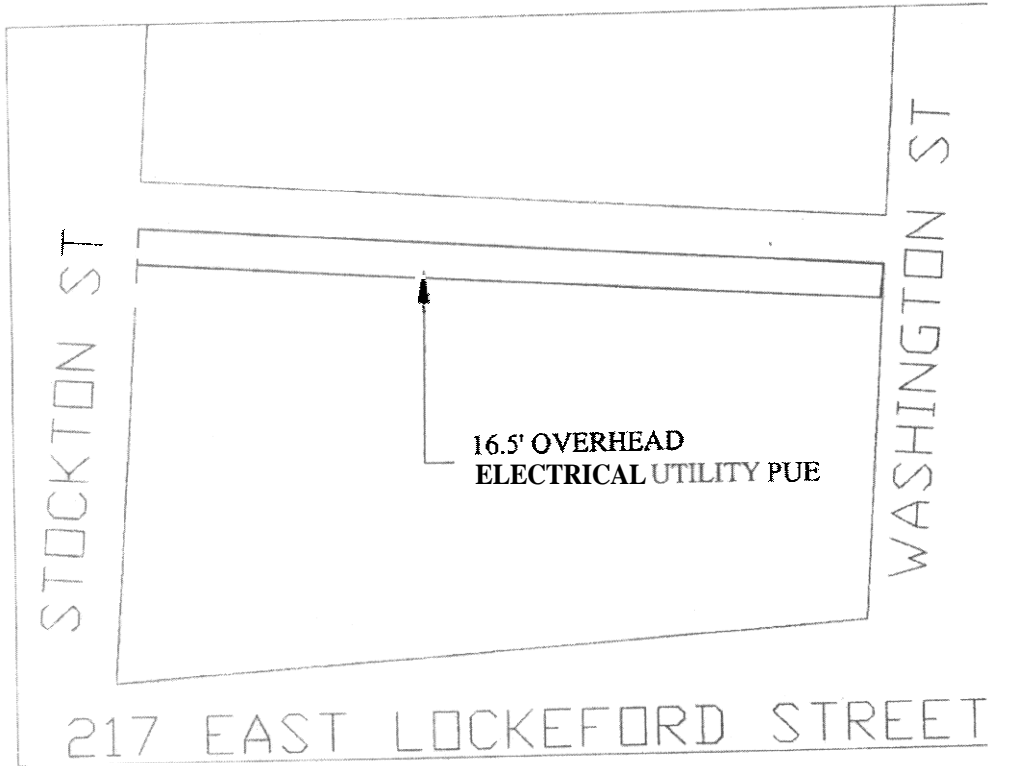


CITY OF LODI

PUBLIC WORKS DEPARTMENT

217 E. LOCKEFORD STREET

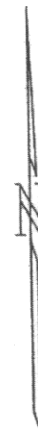
EXHIBIT



Building and structures in conformance with San Joaquin County Zoning ordinances and building codes are permitted in the south 11.5 feet of the north 16.5 feet overhead public utility easement to a maximum height of 23 feet.



VICINITY MAP



N.T.S.

State of CALIFORNIA)
County of SAN JOAQUIN)

On December 23, 2008 before me,
S. DEUTSCHER, Notary Public (here insert name and title of the officer),
personally appeared LESTER WAGNER.

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *S. Deutscher* (Seal)

